

Tacoma Town Hall meeting

Attendance: Approximately 60 people, including providers, legislator, health-care representatives, stakeholders, clients, consumer action groups

Date: May 28, 2002

Location: South Park Community Center

This was the third of 10 Town Hall sessions to discuss the amended Medicaid waiver, and comments were generally critical of the waiver and the idea of adding small premiums and co-pays for Medicaid clients. Many who spoke on the issue said they were concerned that these new requirements would cause many Medicaid clients to drop their coverage and take their chances with free health-care opportunities or hospital Emergency Rooms.

Key discussions through the evening included:

The proper role of the Legislature: Several people questioned why the Legislature had not been more fully involved in preparation of the waiver. Assistant Secretary Doug Porter noted that legislators would be involved once the waiver had been approved at the federal level, and that the Legislature would have ample opportunity to settle policy issues or to direct the agency in implementing (or not implementing) different parts of the waiver.

What is the role of the public? What would it mean if the 10 scheduled Town Hall sessions signal overwhelming opposition to the proposals in the amended waiver? Is the Department of Social and Health Services actually interested in public feedback, or just posturing? These questions surfaced several times during the Tacoma Town Hall meeting. Porter was asked directly what he would do if he believed that the public was overwhelmingly opposed to the waiver. He replied that he would report that to the DSHS Secretary, the Governor and legislators – but that the real test would be in whether the proposals are workable given the state’s budget crisis. Porter said that would be an independent assessment, once all the information has been assembled.

Fiscal trouble in Pierce County: The Tacoma area has suffered enough, several people said. The county’s mental health funding and public health dollars have been cut back, and infrastructure changes have eroded health care. Several people said they felt the waiver’s potential of enrollment freezes, premiums and benefit changes would be just another strike against a health-care system already reeling under cutbacks. “This is a community on the edge,” one person said.

Co-pay goals: A number of speakers lumped co-pays and premiums together, criticizing both as unworkable and unconscionable attempts to squeeze money from the poor. Some said the agency would spend more to collect co-pays than it would raise. Porter and Gantz explained that the goals of co-pays and premiums are quite different. The premiums will raise a small amount of money – currently expected to total no more than \$25 million to \$30 million, depending on where premiums are set – while the co-pays will achieve savings by cost avoidance. In other words, the client who accepts the lower-priced generic or therapeutic equivalent drug would not pay a co-pay, nor would the client whose brand-name drug is prescribed as medically necessary. Similarly, the emergency room co-pay would only be assessed when clients insist on pursuing non-emergent primary care treatment at the emergency rooms. “We would be happy if nobody pays a co-pay,” Porter said.

Written testimony: Flyer distributed at meeting urges participants not to “waiver on health care”

Other comments:

- ▶ “Once again, I think it’s going to cost you \$40 to collect that \$5. Why don’t we just make it a rule that you have to take the generic drug and you don’t have any choice about it?”
- ▶ “One of my major concerns is that there are a lot of people who receive \$339 a month -- and a \$10 co-payment a month, that would be horrible.”
- ▶ “You haven’t provided us with any information about what the effect of this will be on the populations who are being served.”
- ▶ “Regional Service Network (RSN) cuts: “What will be the effect on mentally ill? Many of the mental health clients who are serviced through the RSN are on Medicaid.. You start charging them \$3 or \$5 for co-pays, you have essentially devastated these people.”
- ▶ “I’m concerned about the (Hepatitis C epidemic) as it grows larger and larger. How is it going to be affected now and in the future?”
- ▶ “The waiver – once you submit this waiver, and let’s say it is approved, and it goes into effect. Does this mean that you can go in every year and make changes? If so, then we could be opening the floodgates. It’s the slippery slope. “
- ▶ “Mental health – the way I look at it, a doctor is a doctor whether he’s treating your mind or your stomach. I see now why there are so many people walking around downtown, because you can’t get mental health help....I just don’t think it’s right.”
- ▶ “We ...are opposed to this Medicaid waiver. One of our major concerns is what kinds of protections are going to be in place? What sort of process will there be if there is a disagreement about treatment? In some research we have done previously about how enrollees were being disenrolled – we came up with a 12 percent loss....”
- ▶ “We all need to hear a little more, especially about premiums and enrollment freezes...If we want to cap enrollment so we only spend as much money as the Legislature appropriates...that’s a huge change. Right now Medicaid is an entitlement, which means that people at the lower end of the scale get the services they need....of course, in bad times there are going to be more people who need the services....I’m really surprised that there is no talk about outcomes...premiums are bad news for people on Medicaid...
- ▶ “The (MAA feedback form) survey...asks us whether we’d like to hit ourselves on the head with a hammer or a baseball bat. ...Premiums are a bad idea, and Washington state shouldn’t try to put them into effect...On my survey, I’m going to fill out “none of the above” and I hope everyone else does, too.”
- ▶ “I am a nurse...I see a lot of Medicaid patients, I am also a mother of a disabled child....I have a lady who is retarded ... who lives with me....and receives \$570 a month through SSI and gets her Medicaid through SSI....None of these people are capable of paying a premium....Every cent of their income is required....Someone mentioned it might be the \$5 for the meds, and that might be true....(but) you’re looking at severe medical problems, severe needs, and you are looking at penalizing them....It’s just not a good idea.”

► “Patients seeing emergency rooms, they’re there because they are not able to get into a physician’s office to see a primary care... You tell me how dental care is optional...It is not! It is mandatory...These patients need their dental care...”

► “I don’t think there should be any limits....It is easy for the Legislature to say we’re only going to give you so much money, and...it makes it easy for them to not give you enough money so you run out....so I don’t think there should be any caps at all. ... Say somebody is on the program and they’re at 199 percent of FPL (Federal Poverty Level)— only one percent above the federal limit and they qualify for that -- but they won’t be able to get the coverage...There’s a built-in inequity with the system whenever you start putting caps on.”

► “I have several concerns....I thought this was a town hall meeting to help the state agencies decide whether this waiver should be presented....but in your presentation, I hear that our comments here are superficial...In other words, you’re going ahead no matter what you hear from us.”

► “I know a lady who’s on Medicaid and she makes a lot of money. She says she can keep it. Can she keep it? She has a maid coming in. ... She should not be on Medicaid.”

► “How is the Legislature going to be involved with this? Last year, my organization....tried to make sure that the Legislature is involved in this...because the Legislature’s job is to make policy changes. Will there be a bill that says, here is what the premiums would be? Here is what the co-pays would be?, etc. “

► “I think that it feels like we got into this process as a (budget) problem, and our reaction is to that problem....What is it that we have done to look at the cumulative way I can administer that health care, and that people with different levels of income can benefit....If we’ve made a commitment to make health care coverage available for people with incomes at 250 percent of FPL, then we have to drive the pharmaceutical providers out of the business of Medicaid coverage.....That will become an additional problem to administer....because for \$3, we’re going to require \$50....But overall, if you’re going to save something, when we save some money, why don’t we send it back to the health care providers, who would then be encouraged to take more Medicaid patients?”

► “One of the things we need to be doing in tandem is to educate people about the system...Rather than educate the general population, we need to focus on the people who believe or disbelieve the idea that their money is being well spent....we need to be out trying to educate them about the value of what we’re doing.”

► “For that group of people, if you’d offered the option of participating if they paid a premium, 99 percent of them would have said yes...so I can’t say out of hand that there shouldn’t be any premium....That’s a conversation worth having.....But most of the consumers we’re talking about, most of whom don’t read or write...they are the ones who will never be able to decipher the things you’ve put together....”

► “Sixty percent of your recipients are children, yet they cost you 20 percent of your budget. I’m worried that we’re going to lose services for children....we represent pediatricians across the state, and we’re totally united in the fact we oppose the waiver...Kids don’t vote, and they get jobbed every time. I’ve been doing this for 30 years, and when I started out, Medicaid was awful...Then

we worked for it and got some things done...Then you came along and nailed us with capitation....every \$1 you spend on welfare you save \$30 on other costs...Now we're proposing to chop away at some of these things...\$15 a month doesn't do much for a little kid, and you try to get us to collect a co-pay? Forget it."

► "The emergency rooms at the two major children's hospitals say their caseload is up 100 percent....because of all the other problems happening in the economy. No, I don't have another solution for you, but I don't think this is the way to go..."

► "I have somewhat of an idea to alleviate some of the money. It is not something a lot of people may like. It is not something that is very costly....When Initiative 695 came in and you know it cut funding – King County in their area there alone lost 30 percent of their budget. We're not paying our doctors...they are dropping Medicaid every day. We got rid of 695...I'm not talking about reinstating 695. ...But I propose and suggest \$5 out of each person's pocket once a year in your car tabs that goes directly to the payment of health services, not administration. DSHS would not collect this money....If you are a new resident come to the state, or you have a brand new car, it would be 10 bucks."

► "I think it's illegal to have something available and then not give it to people. I also think it's morally wrong to pick on the least vulnerable people in the state...This kind of premium plan will decrease people's ability to get preventive medicine. Even at 5, 10 or 15 dollars, the state is going to have to pick that cost up eventually....so we might pick up some money here in the Medical Assistance Administration, but we're going to lose it over here in Aging and Adult Services Administration...."

► "The No. 1 thing we ought to look at is the physical and dental health of all the people in the state of Washington. And I know that hasn't always been true – historically, dentists have been very poorly reimbursed. However, back in those days if you were in a state institution called a prison, you got dental care. Today, we have money for stadiums in Seattle...but we ought to have a priority for physical and dental health. Any place in this state where people have any knowledge of health care, I would doubt you're going to find any that are going to stand up in favor of this proposal....We've got to stop taking some of the most disadvantaged people in the state and dumping them on the street."

► "Has there been legislative oversight on the development of the concepts we're talking about here?"

► "My wife has got hearing devices and under that, they have to be replaced and upgraded almost constantly....and they've actually told us that when I was making better money than I am now, that I would have to have a spenddown because I was making too much money. So I had to get a part-time job to make sure that my wife could receive her medical care."

"It's clear that Washington state has not kept up with the increase in incremental costs. Now, because of not increasing incrementally over the years, we have to make a big jump. Pharmacy is now 40 percent of the medical dollar.... I would like to hear later on how it is that we're not using the SCHIP funds....To restrict costs, pharmacy is where you are going to have to look, so having a small co-paythose would be ways of restricting pharmacy, too."

► “Rationing? I think you need to look at it. Oregon has done it....but the things you don’t want to do is move the patients from the least expensive place, which is the doctor’s office, to the most expensive, which is the emergency room....this year that patient load is going up almost exponentially...if you pay \$25 to the doctor to take care of his patient, but it costs \$35 to operate the office, he’s going to say he can’t afford to take Medicaid patients....I think the answers include restricting pharmacy, but the state Legislature also has got to put money into the system. I mean, they’ve got to show some....well, courage.”

► “What level of reimbursement increase would satisfy doctors? I agree that 2 ½ percent is not going to cut it. The costs for our office are rising higher than that...We are doing this now, but there’s a limit to the amount we can do without going bankrupt...And physicians are going bankrupt in this state, because their costs are rising faster than their reimbursements....”

► “We’re told that we run a lean machine as pediatricians, but when you get to the point where you’re not covering your overhead, well, it’s obvious....When my payday comes, my staff doesn’t say, “Oh, you were so good today, doctor, we’re not going to accept any money.” In other words, I sure would like to be compensated for what I do.”

► “The concerns that a lot of people have is that we’re not the only state with budget problems...The problem is that there are ways to limit costs without taking these steps. Instead, we were one of the first states to propose a waiver to seriously limit Medicaid in our state. This is people’s health. This is people’s life. What concerns me is that this is even on the table.... There are 10 of these town hall meetings. If you hear overwhelming opposition to this waiver, do you return to Olympia and tell (DSHS Secretary Dennis) Braddock and the governor that the waiver is off the table?”

► “Really, it is very very difficult, with the rising costs of health care...There was the request from the feds during this budget session for relief on Medicaid and increasing the cost of Medicaid by 1 percent, and they didn’t do it because so much has been shifted down to the state....Washington’s budget, like those in 39 other states, has been patched together, and we have no more patches. I think Medicaid has become the symbol of what is happening and because it’s so visible it’s taken the hit. To me, this (waiver) is not acceptable.”

► “What is pushing is the high cost of prescription drugs...if we get a handle on the cost of health care, then we’ll see that cost going down....The key is the aggregate of purchasing -- the state has great power....we can leverage that not only with Medicaid, but we also have the Department of Corrections, we have public employees....We can leverage that, not on the pharmacists, but on the manufacturers, and drive the cost down. Then we will be able to see some progress.”

► “The most vulnerable people are getting hurt here, and I as a nurse and I as someone who has worked on this issue for 20 years, I have to say that our system is a mess.”

► “If we don’t save this current crop of children, we’re not going to make it as a species.”

► “There’s been an astronomical rise in the cost of prescription drugs...in the past 10 years, as the Senator has demonstrated, and we haven’t addressed control of these prescription drugs. What we’re doing is to shift this cost to the user rather than admit that this huge cost has been developed at the manufacturer....also it’s not the physician who controls what kind of prescription is going to be a patent drug or a generic drug. It’s the drug company.”

► “I know somebody on Medicaid who has prescriptions for a brand-name drug and took it to the pharmacist and he said they were not allowed to dispense it, and (the client) said, Can’t I have a generic drug, and the pharmacist said: No, you have to go back to your physician.”

► “In the last 10 years I’ve seen the price of vaccines go up by 300 or 400 percent. Our state buys vaccines and provides them to everyone who needs them. The state buys them in a large chunk from the feds. If it wasn’t for those vaccines, I wouldn’t be administering vaccines in my office because I couldn’t afford it. We’ve done a wonderful thing in our state....”

► “We’re back to: Preventive medicine saves money....We’ve been very smart there....But going back to drugs again, there’s no reason we can’t get something more back on that...the president of Bristol Meyers who’s making five zillion dollars a year...let’s talk to some of those people.”

► “We have used every opportunity to maximize our federal dollars....Now we have to match them, and have to figure out how to match them...The point of that is to say, right now there is this whole tax revolt thing going on....from my perspective, we’re denying care to the very people who are eligible for that federal entitlement.”

► “Last thing, we need is to get the federal government’s OK on this -- why couldn’t we offer a tax deduction to physicians for the difference between the value of what they are providing and what we are paying? ...So maybe the federal legislators should be looking at it. Maybe it’s a way to balance things out.”

► “We do it for corporations, why not for physicians?”

► “You should gather people into a focus group after you finally write the waiver. Let them see the waiver, actually look over and give you some feedback...somewhere in Olympia...in July...Create an event so there’s some way for us to provide you that kind of feedback... It gets very difficult for us to do that, but people could gather around a table, and you’d have people breaking bread and coming together -- maybe there is a way to look at things and be logical...and have them provide some honest feedback for you...”

► “I would like to thank you all for coming. I know it’s not an easy job. I’m a bureaucrat at the town level, and it’s our job sometimes to get our butt kicked...”

► “Pierce County: This is a community that is on the edge. The recent RSN cuts. The cuts we’re going to get from DDD. On any given day in Pierce County there are 400 children who are in early intervention programs. We are out of money. We need money....If these waiver changes go into effect, it will just add to these problems. Don’t pit us against us...Think of the children, the elderly, the developmentally disabled...If you’re going to do something, do it across the board....i think you’ve heard tonight very clearly that this waiver is unacceptable. It is unacceptable in Pierce County...”

► “I think Pierce County is also now the only county without a public health clinic.”

► “The premium proposals – this is just unworkable...Even if you had the ability to charge premiums, how would you figure out how to pay it and how to collect it? The enrollment freeze,

that's just unacceptable. That's arbitrary. Let's go after the feds, let's go after Medicare, and let's all go to Vancouver, B.C., and buy all our drugs."

► "I help families enroll in Medicaid and Basic Health, and I've been watching the freeze on BH for more than a year, watching as people get sick and they end up on MI (medically indigent) and they die.... You talked about adults and co-payments, and you have families now who don't take care of their children, and Medicaid is free!"

► "Given what you just said, I'd like to go back to what we were saying earlier about legislative involvement and the fact that the Legislature has not been involved in this proposal, and you acknowledge that this is a huge policy change. Why hasn't MAA involved the Legislature in the development of this waiver?"

► "I'm here because I feel that in community forums like this there should be some balance. I'm here to express my support for what you're doing, because I applaud what you're doing... I raised five children, and it was very difficult.... Sometimes, we had to make tough choices. Our Legislature faces the same thing... So I applaud what you're doing, going around the state and getting public input. I've read through the goals that you have here in your flyer, and the very first one is to see that the most vulnerable populations are protected. Most of us don't like change in our lives, and many times afterwards we see that the change is not as bad as we thought it would be.... My taxes are already too high... I'm up to here with taxes... Maybe we could reallocate some of the money. I want you to remember the taxpayers as you go through this, and remember to balance things as families do, making good choices."

► "Here's what you're saying: To save money, we're going to accept the fact that some people are going to die... Again, as a taxpayer, as someone who sees people in trouble every day, I'm outraged that we could look at that situation, and look at the budget, and then say that this is OK. I'm really frightened that you can say it with such dispassion...."